

Insurance Commissioner, including insurance tax payments to fire departments**Budget No. 401****Senate Bill No. 2010, House Bill No. 1014**

	FTE Positions	General Fund	Other Funds	Total
2007-09 executive budget (bills as introduced)	46.50	\$0	\$14,350,979	\$14,350,979
2007-09 legislative appropriations	46.50		14,455,124	14,455,124
Legislative increase (decrease) to executive budget	0.00	\$0	\$104,145	\$104,145
Legislative increase (decrease) to 2005-07 appropriations	0.00	\$0	\$775,469	\$775,469

SUMMARY OF LEGISLATIVE CHANGES TO THE EXECUTIVE BUDGET AND MAJOR FUNDING ITEMS**Salaries and Wages**

The legislative action affecting the recommended appropriation for the Insurance Commissioner is in accordance with legislative salary and fringe benefits guidelines as contained in Senate Bill No. 2189. In addition, the Legislative Assembly did not change the executive recommendation to provide funding of \$172,236 from other funds for salary equity increases.

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Reduced funding recommended in the executive budget relating to retiree health credit contributions			(\$5,855)	(\$5,855)
Transferred funding for expenses of legislative members attending functions of the National Conference of Insurance Legislators to the Legislative Council			(60,000)	(60,000)
Provided funding from the fire and tornado fund for a grant to the North Dakota Firefighter's Association. (In previous bienniums, the Legislative Assembly appropriated this funding to the Office of Management and Budget.)			170,000	170,000
Total	0.00	\$0	\$104,145	\$104,145

FTE Changes

The Legislative Assembly did not change the executive recommendation which included funding for 46.5 FTE positions, the same as the 2005-07 biennium.

Administrative Costs of Special Funds

The Legislative Assembly did not change the executive recommendation for administrative costs allocated to the bonding fund, unsatisfied judgment fund, and the petroleum tank release compensation fund. The Legislative Assembly did reduce the administrative costs allocated to the fire and tornado fund by \$150,000, from \$1,153,804, as provided for in the executive recommendation, to \$1,003,804. The following schedule provides information regarding the administrative costs allocated to each special fund. The changes from the 2005-07 biennium will result in an increase of \$5,421 of Insurance Department administrative costs being provided from the insurance regulatory trust fund.

	2005-07 Biennium	2007-09 Biennium	Increase (Decrease)
Bonding fund	\$35,000	\$44,131	\$9,131
Fire and tornado fund	\$988,576	\$1,003,804	\$15,228
Unsatisfied judgment fund	\$35,000	\$16,546	(\$18,454)
Petroleum tank release compensation fund	\$120,000	\$108,674	(\$11,326)

Insurance Tax Payments to Fire Departments

The Legislative Assembly did not change the executive recommendation to provide a \$6,320,000 special funds appropriation from the insurance tax distribution fund to the Insurance Commissioner, of which \$6.2 million is for insurance tax payments to fire departments and \$120,000 is for two equal payments to the North Dakota Firefighter's Association. This is the same level of funding provided for in the 2005-07 biennium.

Cost-Benefit Analyses of Health Insurance Coverage Mandates

The Legislative Assembly did not change the executive recommendation to provide funding of \$55,000 from special funds for cost-benefit analyses of legislative measures being considered by the 2009 Legislative Assembly mandating health insurance coverage as required by North Dakota Century Code (NDCC) Section 54-03-28. This is the same level of funding provided for in the 2005-07 biennium for legislative measures considered by the 2007 Legislative Assembly.

Other Sections in Senate Bill No. 2010

Legislative Council appropriation - Section 4 provides a \$70,000 special funds appropriation from the insurance regulatory trust fund to the Legislative Council for defraying expenses of legislative members attending functions of the National Conference of Insurance Legislators for the 2007-09 biennium.

Anhydrous tank inspections - Section 10 provides that \$150,000 is available from the anhydrous ammonia storage facility inspection fund to pay for anhydrous tank inspections done by the Insurance Commissioner. This is the same level of funding available from the anhydrous ammonia storage facility inspection fund for the 2005-07 biennium.

Insurance Commissioner's annual salary - Section 11 provides statutory changes relating to the Insurance Commissioner's annual salary. The Insurance Commissioner's salary is increased from \$73,568 to \$76,511 on July 1, 2007, and \$79,571 on July 1, 2008.

Fire and tornado fund coverage - Section 12 amends NDCC Section 26.1-22-10 to allow personal property to be insured on a blanket basis by the state fire and tornado fund.

Related Legislation

State Fire Marshal Program Fees - Senate Bill No. 2097 increases the amount of State Fire Marshal program fees to be paid from the fire and tornado fund and the petroleum release compensation fund for the 2005-07 biennium.

Forensic medical examinations - Senate Bill No. 2103 provides a \$500,000 special funds appropriation from the insurance regulatory trust fund to the Attorney General for reimbursing health care facilities and health care professionals for the costs of performing acute forensic medical examinations on alleged victims of criminal sexual conduct for the 2007-09 biennium.

Firefighters' death benefits - Senate Bill No. 2183 provides a \$50,000 continuing appropriation from insurance premium tax collections to the Insurance Commissioner for providing firefighters' death benefits.

Insurance tax payments to emergency medical services operations - House Bill No. 1296 provides a \$1,250,000 special funds appropriation from the insurance tax distribution fund to the State Department of Health for making payments of insurance premium tax collections to emergency medical services operations for the 2007-09 biennium.